

Subject: Status of Supplies in Berlin (U)

Reason for Discussion - The impending transfer of occupation rights (possibly including control over all forms of allied transportation), from Russia to East Germany, and the resulting possibility of Western Berlin being subjected to a blockade makes it prudent and timely to review the status of supplies in Western Berlin.

Background - Subsequent to, and based upon the experience gained from, the 1948 Berlin blockade, a stockpile program has been instituted to provide for a similar blockade contingency in the future.

Comments and Recommendations - The latest available monthly report from U.S. Mission Berlin summarizing the status of the Berlin stockpile program (as of the end of September 1958) has been extracted and is attached as Enclosure "A" hereto.

It must be borne in mind that the days of supply reflected in this report is related to austere 1952 targets and is calculated on the lower production and living standards of 1954 and does not appear to be completely valid for present day Berlin.

In order to arrive at a more realistic estimate, U.S. Berlin Mission was recently queried by Secretary of State as to what the stockpile would represent in days of supply based on rationing under the present higher standards of living and production.

Berlin Mission replied it was their belief that with rationing, an estimated minimum of 120 days supply was justified in almost all stockpiled items. Qualifications or exceptions noted included these:

a. Current meat consumption is estimated at 115,000 tons per year. Rationing would be necessary to make the 25,000 ton stockpile last even 90 days.

b. Liquid fuels tight. BVG buses alone now using almost 16,000 tons diesel fuel per year and consumption would increase as rationing forced decreased use of private cars.

c. Solid fuel stockpile at 1957 consumption rates probably adequate for eight months.

d. Although stockpile contains large variety of commodities, it is impossible to foresee all needs or predict the level of economic-industrial activity under blockade conditions. Unexpected demands are certain to arise.

e. Some important items, such as fresh fruit, vegetables and milk, are not stockpiled.

MONTHLY REPORT ON STATUS OF
BERLIN STOCKPILE - SEPTEMBER 1958

The following tables summarize the status of the Berlin Stockpile program as of the end of September 1958. Food and fuel stocks are at or above target levels which were established on the basis of one year's supply, with foodstuffs rationed at about 2350 calories per person per day.

STOCK REPORTED BY BERLIN SENAT

1. Coal, Coke and Brown Coal Briquettes (in 1,000 metric tons)

a. Total Stocks (including private)

(Oct. 1)*	Actual Controlled	Private	Total	% of Program	Approximate No.
					Days' Supply Based on Program Levels
2,000	2,130	986	3,116	104	330

b. Breakdown of Controlled Stocks

	Program	Actual	% of Program
Hard Coal	1,233	1,216	101.3
Coke	100	96	104.2
Brown Coal Briquettes	800	818	97.8
	2,133	2,130	100.0

c. Breakdown of Private Stocks

	Program	Actual	% of Program
Hard Coal	---	657	---
Coke	---	325	---
Brown Coal Briquettes	---	106	---
	---	1,088	109.3

* Increased by 1,000 metric tons.

Controlled Stocks (in 1,000 metric tons)	Actual	Program
22.6	22.6	100

* This figure is 3,000,000 tons on October 1 (beginning of heating season) and 2,650,000 tons on April 1 (end of heating season). The program level for intervening dates was linearly interpolated by the Mission. Private stocks constitute the difference between the program and controlled stocks, but the breakdown of private stocks by type of solid fuel has not been specified. It should be noted that West Germany's consumption of solid fuels during 1957 is estimated at 2,000,000 tons.

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NO EXPORTS

A. Controlled Stocks Totally Financed	Program		Actual		Approx. No. Days' Supply
	Months	Tons	Tons	% of Program	
Grain	12	350,675	350,681	100.0	365
Cereals	12	50,973	50,973	100.0	365
Fat	6	15,713	17,254	109.0	200
Sugar	6	21,911	24,949	100.1	182.5
Milk, dry whole	6	2,108	2,218	105.2	191
Office substitute	12	6,132	6,132	100.0	365

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Sugar	11	35,193	35,693	98.6	329
Milk, dry skimmed	6	9,965	9,945	99.7	192
Dehyd. Pot (Sub)**	5	31,500	31,546	100.1	150
Salt	12	13,797	13,994	101.3	369

*Based on planned daily ration averaging about 2,350 calories per person.
 - Includes the equivalent of 13,503 tons of dehydrated potatoes in various substitutes, such as pulses, rice grain, etc.

B. Selected Private Unprogrammed Wholesale Food Stocks in Berlin (as reported by the SENAT, not included in totals above)

(metric tons)

Grain	25,173
Cereals	46
Fat	538
Sugar	4,018

4. Liquid Fuel (in metric tons)

	Program	Actual	% of Program	Approx. No. Days' Supply
Gasoline	16,000	19,449	121.6	444
Diesel Oil	16,000	16,504	103.0	376

The "actual" figures include total stocks held by commercial oil companies in Berlin. By contract, the companies agree to keep at least 32,000 tons on hand; for this quantity the SENAT pays interest (on the value of the stocks) and storage charges.

5. Medical Supplies (in Millions of DM)

<u>Program</u>	<u>Actual</u>	<u>% of Program</u>	<u>Approx. No. Days' Supply</u>
DM 2.58	DM 5.197	24.5	172

**Represents about six months' supply; DM 245,000 available for purchases which could be flown in in an emergency.

6. Raw Materials (in Millions of DM)

A. Overall Program (Controlled Stocks only)

<u>Program</u>	<u>Actual</u>	<u>% of Program</u>
DM 107	DM 152.9	95.1

<u>Industrial Raw Materials</u>	<u>Program</u>	<u>Actual</u>	<u>% of Program</u>	<u>Unfilled Orders</u>	
				<u>Value</u>	<u>% of Program</u>
Iron & other metals	DM 60.6	DM 55.9	92.2	DM 2.18	3.6
Chemicals	29.0	27.5	94.8	0.39	1.3
Wood	13.02	12.42	95.5	0.59	4.5
Paper	5.9	5.42	91.8	0.04	0.7
Stones & Earth	3.6	2.84	78.7	0.46	12.8
Tobacco	3.0	3.0	100.0	0.0	0.0
Other	<u>1.16</u>	<u>1.13</u>	97.4	<u>0.0</u>	0.0
Total	DM 116.3	DM 108.2	92.2	DM 3.7	3.2

Construction Materials

Cement	DM 4.2	DM 4.2	100	---	---
Bricks & Tiles	13.5	13.5	100	---	---
Lime	6.1	6.1	100	---	---
Wood	9.5	9.5	100	---	---
Asphalt	2.9	2.9	100	---	---
Sand & Gravel	6.4	6.4	100	---	---
Construction Steel	2.65	2.64	99.5	---	---
Other	<u>5.8</u>	<u>5.8</u>	100	---	---
Total	DM 51.1	DM 50.7	92.2		